

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:3843  
ANSWERED ON:17.08.2001  
EXPORT OF COFFEE  
M. CHINNASAMY

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

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- (a) whether there has been a significant fall in overall exports of coffee from 1999-2000 to 2000-2001; (
- (b) if so, whether coffee exports have come down to approximately 332 million dollars from a high of 447 million dollars in 1999-2000; (
- (c) if so, the reasons for this steep fall in foreign exchange earnings from coffee exports; (
- (d) whether there is any effort to maintain Indian market share of coffee exports; (
- (e) if so, the details thereof; and (
- (f) the details of Central support being provided to the coffee growers to face their problems?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY ( SHRI DIGVIJAY SINGH )

(a): No, Sir. During the year 2000-01, a total quantity of 2.47 lakh tonnes of coffee was exported as compared to 2.45 lakh tonnes of coffee during 1999-2000.

(b)& (c): Though there has been no decrease in volume of coffee exports during 2000-01 as compared to 1999-2000, there has been a decrease in foreign exchange earnings, from US\$447.33 million in 1999-2000 to US\$ 333.35 million during 2000-01, due to low unit value realization of coffee. The main reason for the same is surplus coffee production by the producing countries surpassing the world consumption leading to mis-match between demand and supply.

(d) & (e): The Board has started implementing a medium-term export strategy to sustain and gain market share in the key markets and also to improve the competitiveness of Indian Coffee in the global markets over the next five years.

(f): The Govt. of India, through Coffee Board, besides operating several plan schemes and developmental activities aimed at intensive cultivation, quality up-gradation and water augmentation, has also been providing necessary support in the form of research, extension, arrangement of credit and finance and other back up support like supply of seed for planting purposes etc. Further thrust is being given for increasing productivity of coffee particularly in the small grower sector and improving quality of the product to achieve competitiveness in the international markets. The Board is also encouraging the large growers to produce specialty coffees which fetches attractive premiums in developed countries like USA and European Union.

Recently, at the behest of the Govt. of India, the Reserve Bank of India/NABARD has issued instructions to commercial banks to reschedule the crop loans of coffee growers and also to extend fresh working capital loans to coffee sector as a relief to the growers.